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Italy's Role in the European Conflict

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Italy's Role in the European Conflict

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AS war spreads into Scandinavia and threatens to spread into the Balkans, the rôle Italy may play in the European conflict assumes increasing importance. After eight months of "non-belligerency," during which Italy maintained diplomatic and trade relations with both Germany and the Allies, the moment seems to be approaching when Mussolini may have to choose between the two groups of belligerents. In a broadcast on April 14 Giovanni Ansaldo, editor of the Leghorn *Telegrafo* and a close associate of Count Ciano, warned the Italian armed forces that Italy's entrance into the war was not a matter of months, but of weeks or even days. In this broadcast—which was not published by the Italian press—Signor Ansaldo said: "All Italians who believe that our country can stay out of the conflict until it is finished are mistaken and indulging in illusions, just as those are mistaken and indulging in illusions who believe that our country should only seek to earn some foreign exchange profit. In other words, all those are deceiving themselves who believe that Italy could isolate herself and not think about anything else. . . . Just as war came over Norway unexpectedly, it can come also to Italy."¹

While the Italian people have little sympathy for Germany, and still passionately hope to avoid war, the government exerted every effort after the German invasion of Denmark and Norway to create the impression that the Reich had inflicted a severe defeat on the Allies in Scandinavia, and that the Franco-British cause was as good as lost. This line of argument was designed both to warn foreign powers which might have designs on Italy's sphere of interest in the Balkans, and to prepare the Italian public for a sudden thrust which might take the form of invading Greece and/or Yugoslavia through Albania, where many thousands of Italian "colonists" were reported to have arrived just before Germany struck at Norway.

1. English translation of part of the broadcast by Giovanni Ansaldo, as carried by the German Transocean Radio on April 14 and recorded by *The New York Times*. *The New York Times*, April 15, 1940.

MEDITERRANEAN BALANCE OF POWER

Should Italy, either in its own interests or in collaboration with Germany, take issue with the Allies, the outcome of the struggle would hinge on two primary factors: the relative efficacy of the Allied and Italian naval and air forces, and the extent of Italy's economic preparedness for war. While the disposition of navies is a military secret, it may be assumed that the Allied naval forces in the Mediterranean have not been greatly weakened since the summer of 1939. At that time the British Mediterranean fleet comprised 4 capital ships, one aircraft carrier, 6 cruisers, 39 destroyers, 7 submarines and 6 motor torpedo boats. The French Mediterranean squadron contained only 2 old capital ships, but had 12 heavy destroyers and 9 cruisers in addition to a large complement of smaller destroyers and submarines.

Italy, whose entire naval strength is concentrated in the Mediterranean and Red Seas, has 4 pre-World War capital ships, two of which have been completely reconstructed, while the other two should by now have been similarly refitted. The Italians are building 4 new battleships of 35,000 tons—the *Littorio*, *Vittorio Veneto*, *Impero* and *Roma*—of which only the first two will be ready in the near future. In cruisers with 6-inch guns the Italian navy has a slight margin over the French, but in torpedo craft (including destroyers) and submarines it is far in the lead. With the destruction of part of the German navy, however, the British may be able to transfer some Atlantic units to the Mediterranean.

Should Italy regard this as an opportune moment to deliver a blow at the Allies, it could cut East-West communications through the Mediterranean, and probably effect a quick landing of considerable forces in Greece, supported by a land attack from Albania. If such a move succeeds, the Allied forces in the Near East, variously estimated at between 250,000 and 500,000, would find it difficult to replenish supplies of men and material from the West, although they would still maintain commu-

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nications with the French and British Empires further east. It may be doubted that Italy could concentrate its fleet in the Dodecanese in the eastern Mediterranean. Such a move would leave its highly vulnerable west coast exposed to Allied attack, and France might then deliver thrusts by land and air on Italy's vital northern industrial area. Meanwhile France and Britain, by closing the exits and entrances to the Mediterranean at Gibraltar and Suez, could prevent overseas supplies—which constitute over 70 per cent of Italian imports—from reaching Italy, and cut off Italy from its new Ethiopian Empire. Moreover, an Italian attack on the Allies would bring into action Turkey, which hopes to oust Italy from the Dodecanese, and Egypt, Britain's ally, from whose territory British and Egyptian troops could strike at Italy's possessions in Africa.

ITALY'S LACK OF RAW MATERIALS

Not only is Italy vulnerable to Allied attack, both in Europe and in its colonies, but its economic resources are also inadequate for a major war. Were Italy located on the open ocean, like Britain and Japan, its deficiencies in food, fuel and raw materials might be alleviated by overseas imports. But as long as Britain is in a position promptly and effectively to close the exits of the Mediterranean, Italy cannot rely on any supplies that must pass Gibraltar or through the Suez Canal.

Mussolini has sought to remedy Italy's lack of natural resources by making Italy as self-sufficient as possible.² He has almost achieved this objective with respect to wheat—at the present rate of consumption. Until recently Mussolini contended that if Italy could produce 85,000,000 quintals of wheat every year, it could dispense with wheat imports. (The wheat harvests averaged over 80,000,000 quintals in 1937, 1938 and 1939. During the last eight years wheat imports have varied from 3,627,660 quintals in 1934 to 16,437,500 in 1937.³) Now, however, Mussolini wants Italian farmers to raise 90,000,000 quintals—a goal regarded by neutral observers as difficult to achieve.⁴

Coal has long been a major item among Italy's imports. Its average annual consumption is from 12,000,000 to 14,000,000 metric tons,⁵ of which, in 1938, only 2,300,000 tons (mostly low-grade coal)

came from Italian mines.⁶ In recent years Italy's coal imports have been diminishing as a result of increasing production in the Sardinian and Istrian mines and progressive electrification of the Italian industrial and railway systems.⁷ Since the beginning of the war, coal imports have been still further reduced by the Allied blockade and other causes. The Fascist government is optimistic about the possibilities of expanding the domestic coal output.⁸ The London *Economist*, however, declares that two-thirds of Italy's estimated deposits of 700,000,000 tons are lignite, and that only 2 or 3 per cent is good enough for "industrial purposes."⁹

Oil is an even more crucial item among Italy's imports. In 1937 domestic production was only 14,260 tons,¹⁰ while 2,250,000 tons were imported.¹¹ The only Italian-controlled oil supply of any consequence is in Albania, where it may be possible to produce as many as 300,000 tons this year.¹² There are several large refineries in Italy, in some of which the hydrogenation process is available for utilizing Albanian crude oil as well as lignite.¹³

The Fascist government is still actively seeking oil deposits in Italy and Ethiopia, and is making every effort to develop substitutes.¹⁴ But unless some unexpected development occurs, Italy will continue to be largely dependent on oil from overseas. Italy now spends, on an average, 800,000,000 lire every year on oil imports, which constitutes a tremendous strain on the country's slender supply of foreign exchange. This lack of oil also represents a great weakness in Italy's strategic position. The two sources of supply geographically nearest to Italy are Iraq, which is under the control of the

6. The United States Consulate General in Genoa recently reported that Italy was preparing to insure an annual output of 3,000,000 tons from Sardinia alone, and that the deposits on that island are calculated at around one billion tons of a grade almost equal to that of English and German coal. *The New York Times*, February 3, 1940.

7. The hydroelectric power production of Italy has increased from 5 billion kilowatt hours in 1922-1923 to 18 billion in 1939.

8. Tarchi, *Prospettive Autarchiche*, cited, pp. 228-29.

9. "Italy's Coal Dilemma," *The Economist* (London), January 20, 1940, p. 99.

10. Tarchi, *Prospettive Autarchiche*, cited, p. 68.

11. Antonio Giordano, "Il Problema del Petrolio e l'Italia," *Rassegna Italiana*, January 1940, p. 15. For 1938 the figure was 2,619,000 tons; and for the first 7 months of 1939 it was 1,785,000 (or at a rate of over 3,000,000 a year).

12. Cf. letter of Elizabeth Monroe in *The Times* (London), April 12, 1939; also *The New York Times*, April 16, 1939; Basil Davidson, "Can Italy Keep It Up?" *The Contemporary Review*, October 1939, p. 423; Tarchi, *Prospettive Autarchiche*, cited, pp. 73-74.

13. Giordano, "Il Problema del Petrolio e l'Italia," cited, pp. 18 ff.

14. D. T., "Autarchia dei Minerali e dei Carburanti," *Relazioni Internazionali*, November 26, 1938, p. 823.

2. For an analysis of the Fascist autarchic system, cf. Louis R. Franck, *Les Etapes de l'Economie Fasciste Italienne* (Paris, La Librairie Sociale et Economique, 1939), Chapter 5.

3. Angelo Tarchi, *Prospettive Autarchiche* (Florence, Cya, 1939), pp. 318-320. The high figure for 1937 was due to the bad harvest of 1936.

4. *The New York Times*, January 22, 1940.

5. Tarchi, *Prospettive Autarchiche*, cited, p. 228.

Allies, and Rumania, which lies within striking distance of both Russia and Germany. Italy would be one of the first consumer countries to suffer from a German monopoly of Rumania's oil.

In cotton Italy is just beginning to provide raw material for its factories, which generally consume some 2,100,000 quintals a year.¹⁵ The empire is producing scarcely one per cent of this amount, although the government hopes that eventually all cotton imports will be eliminated when its plans for exploiting Ethiopia have been fully realized.

Obviously it will be some time, if ever, before Italy is self-sufficient in even these few commodities. Meanwhile, it also lacks such raw materials as iron, tin, copper, chromium, manganese and rubber¹⁶—all of them products vital to a modern industrial country, especially one preparing to wage modern warfare. These are facts which any Italian government—whether Socialist, Liberal or Fascist—must inevitably take into consideration.

FROM VERSAILLES TO ADDIS ABABA

For a number of years after establishing the Fascist régime in 1922, Mussolini followed what he described as an "independent policy."¹⁷ Italy, although a victor in the World War, sympathized with the vanquished, and contended that at the Paris Peace Conference the Allies had refused to redeem promises they had given the Italians at London in 1915 and St. Jean de Maurienne in 1917.¹⁸ The Fascists emphasized this feeling of re-

sentment before they achieved power and, once in power, used it to prepare the Italian people for the day of reckoning, the *anni cruciali* which Mussolini declared would come between 1935 and 1940.¹⁹

In preparation for this day of reckoning, the Fascist government first sought to assure its own position at home and to create a military machine capable of inspiring respect abroad. This double task occupied Mussolini for a decade, during which he refused to undertake any risky foreign adventures, with the exception of the Corfu incident of 1923. It was not until Japan's invasion of Manchuria in 1931-1932 had demonstrated the weakness of the League of Nations, and the reluctance of its leading members, France and Britain, to resist aggression that Mussolini began to make plans for the occupation of Ethiopia.²⁰

In the early thirties Mussolini had repeatedly attempted to form a Four-Power Pact among Britain, France, Germany and Italy, by which he hoped to break Anglo-French hegemony over Europe and to open the way for peaceful revision of the territorial clauses of the peace treaties, especially in the colonies. A draft of the pact was finally signed on June 7, 1933, but it was to prove stillborn.²¹ Mussolini then sought a bilateral arrangement with France in order to insure French acquiescence in his proposed invasion of Ethiopia. Early in January 1935 Premier Laval, on a visit to Rome, concluded an agreement with Mussolini by which Italy received several minor territorial compensations in Africa and a definition of the status of Italians in Tunisia.²² Since this agreement granted Italy but a small part of its colonial claims, against France, it was generally assumed that M. Laval had also promised not to oppose the anticipated Fascist attack on Ethiopia. From Britain Mussolini expected no objections, for London had already, in 1906 and 1925, recognized Italy's interests in Ethiopia.²³ As if to make assurance doubly sure,

15. Tarchi, *Prospettive Autarchiche*, cited, pp. 249, 258-59. One-third of this amount is for re-export in manufactured form.

16. Tarchi, *Prospettive Autarchiche*, cited, pp. 135-36, 149-51, 158; F. H. Simonds and Brooks Emeny, *The Great Powers in World Politics* (New York, American Book Company, 1937), p. 305; Ciro Poggiali, *Italia Mineraria* (Rome, Edizioni Roma, 1939). For a pessimistic German estimate of Italy's raw material resources, cf. "Länderberichte Italien Versorgung mit Eisen und Erzen," *Wirtschafts-Dienst* (Hamburg), February 16, 1940, p. 128.

17. For Italian foreign policy since the war, cf. M. H. H. Macartney and Paul Cremona, *Italy's Foreign and Colonial Policy, 1914-1937* (New York, Oxford University Press, 1938); Muriel Currey, *Italian Foreign Policy, 1918-1932* (London, Nicholson and Watson, 1932); Gaetano Salvemini, *Mussolini Diplomate* (Paris, Grasset, 1932); Mario Missiroli, *La Politica Estera di Mussolini* (Milan, Istituto per gli Studi di Politica Internazionale, 1939); Camillo Pellizzi, *Italy* (New York, Longmans, 1939); F. L. Schuman, *Europe on the Eve: The Crisis of Diplomacy, 1933-1939* (New York, Knopf, 1939); William Ebenstein, *Fascist Italy* (New York, American Book Company, 1939), chapter ix; G. M. Gathorne-Hardy, *A Short History of International Affairs since 1920* (London, Oxford University Press, 1938), chapters xxiii-xxv.

18. For a discussion of Italy's World War diplomacy, cf. René Albrecht-Carrié, *Italy at the Paris Peace Conference* (New York, Columbia University Press, 1938); and "The Present Significance of the Treaty of London of 1915," *Political Science Quarterly*, September 1939, p. 364. For more recent phases of the problem of Italy's colonial claims, cf. V. M. Dean, "Italy's

African Claims Against France," *Foreign Policy Reports*, June 1, 1939; and the *Outline Studies* published by the Italian Library of Information in New York City, "Extra Series," Nos. 1-6.

19. Cf. his speech to the Chamber of Deputies on May 26, 1927.

20. Cf. William Koren, Jr., "Imperialist Rivalries in Ethiopia," *Foreign Policy Reports*, September 11, 1935; V. M. Dean, "The Quest for Ethiopian Peace," *Foreign Policy Reports*, February 26, 1936; George Martelli, *Italy Against the World* (New York, Harcourt, Brace, 1938); A. J. Toynbee, *Survey of International Affairs, 1935*, vol. II, *Abyssinia and Italy* (New York, Oxford University Press, 1936).

21. Missiroli, *La Politica Estera di Mussolini*, cited, pp. 41 ff; Pellizzi, *Italy*, cited, pp. 119 ff.

22. Italy denounced the Rome accord on December 22, 1938. *The New York Times*, December 23, 1938. For an analysis of Rome accord, cf. Dean, "Italy's African Claims Against France," cited.

23. R. G. Woolbert, "Italy in Abyssinia," *Foreign Affairs*, April 1935, pp. 499-508.

Italy participated with England and France in the abortive "Stresa Front," formed in the spring of 1935 after Germany, on March 16, had reintroduced conscription in defiance of the Versailles Treaty. Actually, neither France nor Britain made more than half-hearted attempts to dissuade Italy from carrying out its plans to conquer Ethiopia.

All the greater were the disappointment and bitterness of the Fascist government when Britain, following the invasion of Ethiopia, not only took the lead in urging the League to impose sanctions on Italy, but sent the larger part of its fleet to the Mediterranean and concluded pacts with France, Yugoslavia, Greece and Turkey for mutual protection against the possibility of Italian aggression. Although League sanctions eventually proved inadequate to save Haile Selassie's empire, they nevertheless seriously dislocated Italy's economic life. Above all, they made the Italian people realize, with a great shock, the extent to which Italy depends on the outside world for the necessities of modern industry and modern warfare.

FROM AXIS TO STEEL PACT

SPAIN. League sanctions had not only disrupted Italian economy; they had also given Italy an acute sense of isolation. At odds with France and Britain, the Fascist government turned to Germany for support.

The Civil War in Spain, which broke out less than three months after the capture of Addis Ababa, fostered this partnership. Italy and Germany extended generous aid to General Franco, ostensibly to combat communism, but primarily in order to weaken the position of France and Britain in the Western Mediterranean. Only the fiction of non-intervention prevented this incipient conflict from emerging into the open.²⁴ Italo-German cooperation increased following visits to Berlin by Count Ciano in October 1936 and by Mussolini in September 1937, and was formalized on November 6, 1937, when Italy joined the Anti-Comintern Pact concluded by Germany and Japan in 1936, which became the keystone of the Rome-Berlin Axis.

Five weeks later, on December 11, 1937, Italy

24. Cf. "Hispanicus" (ed.), *Foreign Intervention in Spain* (London, United Editorial, 1938), vol. 1; N. J. Padelford, *International Law and Diplomacy in the Spanish Civil Strife* (New York, Macmillan, 1939); *The Italian Invasion of Spain: Official Documents and Papers seized from Italian Units in Action at Guadalajara* (Washington, Spanish Embassy, 1937); Giuseppe Vedovato, *Il Non Intervento in Spagna* (Florence, Studio Fiorentino di Politica Estera, 1938 and 1939), vols. I, II; A. J. Toynbee, *Survey of International Affairs 1937*, vol. II, *Repercussion of the War in Spain (1936-1937)* (New York, Oxford University Press, 1938).

resigned from the League of Nations. Mussolini had long sought to "reform" the League in such a way as to make it less exclusively an instrument of French and British policy. His attitude was expressed on November 1, 1936, when he declared that the League must "either be reformed or perish."

AUSTRIA. Following the break-up of the Hapsburg empire, Italy had made it a cardinal point of its policy to preserve Austria as an independent buffer state against Germany. From the outset Austrian independence had to be bolstered by financial help from the League of Nations and by political aid from Italy. The governments of Mgr. Seipel and Dollfuss, whose authoritarian policies had the sympathy of Mussolini, received assistance and "advice" from Rome.

When Hitler came to power in 1933, with Austro-German union as an important point in his *Mein Kampf* program, Mussolini attempted to bar his way by concluding a tripartite agreement with Austria and Hungary on March 17, 1934, known as the Rome Protocols, in which the "independence" of each state was reaffirmed.²⁵ On June 14-16, 1934 the *Führer* visited *Il Duce* in Venice and gave assurances which the latter interpreted as a guarantee of Austrian independence. When a few days later Dollfuss was murdered by Nazi *Putschists*, the indignation of the Fascist government was clearly expressed in Italy's controlled press. On several subsequent occasions Mussolini officially repeated his warning to the Nazis with regard to Austria. But, following the invasion of Ethiopia, the Spanish Civil War, and the creation of the Axis in 1937, Italy found itself unable to resist Hitler's relentless pressure on Austria, and the *Anschluss* was consummated in the bloodless conquest of March 1938.

The end of Austria came as a shock to the Italian people. They felt they had lost a war without fighting it. Mussolini explained that he had not intervened because Italy had never assumed any obligation—"either direct or indirect, written or verbal"—to save Austrian independence; and because the Austrians had never asked Italy to defend their independence. He declared that the *Anschluss* had strengthened the Axis, and that Germany and Italy would now work together to establish a "new equilibrium" in Europe.²⁶ Some neutral observers, however, believed that Mussolini had ac-

25. The Protocols had an economic as well as a political purpose. Cf. Werner Schumann, *Die Römischen Protokolle als Wirtschaftspolitische Problem* (Leipzig, Harrassowitz, 1939). Also V. M. Dean, "Toward a New Balance of Power in Europe," *Foreign Policy Reports*, May 9, 1934.

26. Speech to Chamber of Deputies on March 16, 1938. *Scritti e Discorsi* (Milan, Hoepli, 1938), vol. XI, pp. 222-29.

cepted this drastic sacrifice of Italy's historic interests because he had become the "prisoner of Hitler."

The solidity of the Axis was reaffirmed when Hitler visited Italy two months later. At a state banquet on May 7 he declared, in reply to a toast from Mussolini, that "you and I . . . intend to recognize the natural frontier which providence and history have clearly traced for our two peoples. . . . It is my unshakable will, and it is also my political testament to the German people, that the frontier of the Alps which nature has created between us shall be regarded as untouchable forever."²⁷

To implement this determination, the German and Italian governments agreed on December 31, 1939 to hold a plebiscite among the inhabitants of the South Tyrol who were of German origin. Those who voted for German citizenship were to be given until December 31, 1942 to migrate to the Reich. The vote was held in January 1940. Out of the 229,500 eligible to express a choice, 166,488 (72 per cent) chose to move to Germany, 27,712 decided in favor of Italian citizenship, while the 35,300 who failed to sign the proper applications also remained Italian citizens. In February those who elected to go to Germany were reported as leaving Italy at the rate of 200 to 300 a day.²⁸

CZECHOSLOVAKIA. Nazi annexation of Austria paved the way for Hitler's campaign against Czechoslovakia.²⁹ Mussolini's principal anxiety during 1938, when the Nazis were steadily increasing their pressure on Prague, was to prevent the Czechoslovak crisis from developing into a general war. For Italy was not prepared to fight, its military and economic resources having been greatly depleted by the conquest of Ethiopia and by the Spanish Civil War, then still in progress.

Under these circumstances Mussolini's policy, which he was to pursue with variations toward Poland in 1939, was to advise the Czechs to accept the German demands before it was too late. At Trieste on September 18, 1939 he declared that the only solution—"the simplest, the most logical, the most thoroughgoing"—was to be found in plebiscites, not only for the minorities in Czechoslovakia but "for all the nationalities which ask them." But when he spoke at Padua on September 24 he merely expressed the hope that, if the con-

flict broke out, it could be localized.³⁰ By September 28 war was generally accepted as inevitable. That it was averted was in no small part the result of Mussolini's last-minute appeal to Hitler, made at Prime Minister Chamberlain's earnest request, beseeching the *Führer* to postpone mobilization 24 hours so that the heads of the British, French and Italian governments could undertake one last effort for "appeasement."³¹ On his return from Munich, Mussolini was acclaimed by his people for having averted war.

At Munich the Axis had been used by Hitler to achieve Germany's ends. The Italians asked themselves when it would be used for their benefit. To reassure them on this point Hitler, in his speech to the Reichstag on January 30, 1939, proclaimed that he would unconditionally support Italy "if for any motive whatsoever war should be precipitated against that country." This statement was made at the height of a crisis created by General Franco's imminent victory in Spain.³² But before the Italians had fully freed themselves from their commitments in Spain, Hitler marched into Prague on March 15. The Italian government, which apparently had learned of Hitler's intentions only at the last minute, once again officially gave the impression that the occupation of Prague had strengthened the Axis.³³

ALBANIA. Two weeks later Italy consummated a long-standing ambition by occupying Albania, where it had enjoyed a privileged position since 1921.³⁴ Some Italians referred to the Albanian *Blitzkrieg* as merely a "family affair."³⁵ The British and French governments did not intervene on behalf of Albania, but proceeded to strengthen their military and naval positions in the Mediterranean. The Allies thus hoped to allay the fears of other Balkan states—notably Yugoslavia and Greece—that they might be the next victims of Axis expansion.³⁶

Although the Albanian crisis failed to provoke a general war, it increased tension throughout

27. *Ibid.*, p. 273.

28. *Facts in Review* (German Library of Information, New York City), vol. II, No. 5, p. 40, and No. 7, p. 56.

29. For the diplomacy of this period, cf. Schuman, *Europe on the Eve*, cited; R. W. Seton-Watson, *From Munich to Danzig* (London, Methuen, 1939); H. F. Armstrong, *When There is No Peace* (New York, Macmillan, 1939); V. M. Dean, *Europe in Retreat* (New York, Knopf, 2nd ed., 1939).

30. For texts of the various speeches delivered by Mussolini in North Italy between September 18 and 26, 1939, cf. *Relazioni Internazionali*, September 24, 1939, pp. 656-57 and October 1, 1939, pp. 669-70.

31. Mr. Chamberlain told the House of Commons on October 3 that Mussolini's contribution to the cause of peace had been "certainly notable, perhaps decisive." *Parliamentary Debates, House of Commons, Official Report*, vol. 339, No. 161, p. 47.

32. Barcelona fell on January 26, 1939.

33. Cf., for example, leading articles in the semi-official *Relazioni Internazionali*, March 18, 25, 1939.

34. Cf. "Albania: The Problem of the Adriatic," Foreign Policy Association, *Information Service*, June 27, 1927, pp. 118-20.

35. *Relazioni Internazionali*, April 15, 1939.

36. *The New York Times*, April 8, 10, 11, 12, 13, 1939; *The New York Sun*, April 8, 1939.

Europe, and intensified the desire of the Fascist government for a closer bond with Germany than that provided by the Anti-Comintern Pact. Mussolini—and many, although not all, of his associates—believed that only by entering a military alliance with Germany could Italy save itself from democratic “encirclement” and, with the aid of Germany’s mighty war machine, expand into its *spazio vitale* (vital space) in the Near East and Africa. The Anglo-French negotiations with the U.S.S.R. and Britain’s guarantees to Poland, Rumania, Turkey and Greece hastened efforts in Berlin and Rome to cement the Axis.³⁷

On May 6 and 7, 1939 Count Ciano, Italian Foreign Minister, and Herr von Ribbentrop, German Foreign Minister, met in Milan to draw up the terms of the proposed offensive and defensive alliance. This Pact of Steel, as it came to be called, was formally signed in Berlin on May 22.³⁸ Its preamble states that the German and Italian peoples are “firmly bound to each other through the inner relationship of their philosophies of life and the comprehensive solidarity of their interests,” and that they are determined to “stand side by side and with united strength to render secure their *Lebensraum* and to maintain peace.” Article III stipulates that “if contrary to the wishes and hopes of the contracting parties it should happen that either of them should become involved in military entanglements with one other power or with other powers, the other contracting party will immediately rally to his side as ally and support him with all his military resources on land, at sea and in the air.” Article IV provides for close coordination in military affairs and in the field of war economy. Article VI states that the two powers will cultivate relations with other countries to whom they are bound by “mutual interests.” The treaty went into effect on its signature and was to be valid for ten years.³⁹

ITALY AND THE DEMOCRATIC POWERS

GREAT BRITAIN. The revocation of League sanctions in July 1936 and the announcement of Foreign Secretary Eden the following month that Britain’s pacts of guarantee with the Eastern Mediterranean countries were no longer necessary, brought a *détente* between London and Rome. Commercial relations were renewed by two agree-

ments signed on November 6;⁴⁰ and on January 2, 1937 Britain and Italy concluded a Gentleman’s Agreement in which each disclaimed “any desire to modify or, so far as they are concerned, to see modified the *status quo* as regards national sovereignty of territories in the Mediterranean area.”⁴¹

In spite of this agreement, difficulties constantly arose, particularly concerning Fascist intervention in Spain and the “piratical” activities of “unidentified” submarines in the Mediterranean. With the resignation in February 1938 of Mr. Eden, regarded in Italy as “public enemy No. 1” for his advocacy of League sanctions, the way was cleared for a comprehensive rapprochement between Prime Minister Chamberlain and Mussolini.⁴² This rapprochement took place on April 16, 1938, when several agreements were signed in Rome settling many outstanding causes of friction in East Africa, the Levant and the Mediterranean.⁴³ These agreements, however, were not ratified by Britain until after the Munich crisis, when Mussolini promised to recall 10,000 Fascist legionaries from Spain.

The Chamberlain government has sought to maintain at least tolerable relations with Mussolini, and to persuade France to follow a similar course, in order to avoid the danger that Italy might irrevocably join forces with Germany. In the long run this policy of accommodation may prove to have been justified, although at times liberal elements in France and Britain have accused their governments of carrying subservience to Fascist demands beyond the limits of national self-interest.

FRANCE.⁴⁴ The steady advance of Nazi Germany into Central Europe obliged Italy to focus its expansionist ambitions on the Mediterranean; and this development has brought it into increasing conflict with the other great Mediterranean power, France. When the Spanish Civil War broke out, France resented the magnitude of Italian and German assistance to Franco. The French feared that, if Italy and Germany should obtain a permanent foothold in Spain, they would have a third frontier to defend against the Axis powers. They also objected

40. For texts, cf. *Treaty Series*, No. 2 (1937), Cmd. 5345, and No. 3 (1937), Cmd. 5346 (London, H.M. Stationery Office, 1937).

41. For text, cf. *Treaty Series*, No. 14 (1937), Cmd. 5429 (London, H. M. Stationery Office, 1937).

42. For text of agreements, cf. *Treaty Series*, No. 31 (1938), Cmd. 5726 (London, H.M. Stationery Office, 1938). Cf. also Duff Cooper, *The Second World War—First Phase* (New York, Scribner, 1939), chapter viii.

43. Cf. Tomaso Sillani, “The New Balance of Power in the Levant,” *Foreign Affairs*, January 1939, pp. 341-47.

44. For history of the background of Franco-Italian enmity, cf. Ettore Rota, *Italia e Francia Davanti alla Storia* (Milan, Istituto per gli Studi di Politica Internazionale, 1939).

37. Cf. “L’Asse e il Tentativo di Accerchiamento,” *Relazioni Internazionali*, April 8, 1939, pp. 261-62.

38. Cf. *L’Italia di Fronte al Conflitto* (Milan, Istituto per gli Studi di Politica Internazionale, 1940), pp. 159-62.

39. On May 27, 1939 *Relazioni Internazionali* (p. 398) declared that the treaty would endure “as long as Fascism and Nazism, as long as the Italian and German peoples.”

to Italian occupation of Majorca, directly astride their "life line" to North Africa.

The two countries, often described as "Latin sisters," were also separated by Italy's long-standing colonial demands.⁴⁵ The British urged France to follow their example and liquidate these colonial disputes with Italy. But the scope of Italian claims against France made such a liquidation difficult. In December 1938 deputies in the Fascist Chamber demanded Corsica, Nice and Savoy. When France, after Munich, adopted a firm stand on colonial issues, and Hitler annexed Bohemia and Moravia, Mussolini seemed ready for a compromise. On March 26, 1939 he declared that Italy's claims could be summarized in three names: Tunisia, the Suez Canal, and Djibouti.⁴⁶

This declaration was generally construed as a virtual invitation to France to open negotiations. But when the French press inquired whether Italy's claims envisaged the cession of French territory, the Italian papers replied that Italy naturally desired territory to round out its "vital space." Premier Daladier, however, had already emphatically declared on January 15⁴⁷ that France would not surrender a particle of French soil, and this he repeated in a radio address on March 29.⁴⁸

By this time the Spanish Civil War was practically over; yet Mussolini was showing no haste to withdraw his troops. The French felt there could be no rapprochement so long as Italian men and material remained in Spain. After various delays, the "last" Italian legionaries sailed from Spain on June 1, to be followed intermittently by other contingents of "last troops" during the summer.^{48a} Whether any Italian troops remained in Spain at the outbreak of the war in September—and if so, how many—has been the subject of contradictory reports. In any event, no sooner had the international tension lessened over Spain than it increased over Poland. There was thus no breathing space in which Italo-French problems might have been ironed out. Until the very outbreak of the war in September 1939 the French High Command had to provide against the possibility of fighting in the Pyrenees as well as in the Alps and along the Rhine. When war broke out,

however, Mussolini immediately proclaimed that Italy had assumed the status of "non-belligerency."

NON-BELLIGERENCY

The outbreak of war on September 3, 1939 caused Italy to reconsider its foreign policy. In his speech of December 16, 1939 before the Chamber of Fasci and Corporations, Count Ciano took particular pains to justify Italy's failure automatically to enter the war on Germany's side, as provided in Article III of the Pact of Steel.⁴⁹ He revealed that the Italo-German alliance contained an unpublished proviso pledging the signatories to try to avoid war for at least three years. "Italy," he declared, "chiefly in consequence of the huge wear and tear on material caused by the wars we had fought, made known that a minimum period of three years was necessary to carry to the desired level—that is to say, the maximum—the preparation of its war material." Mussolini apparently hoped that during these three years France and Britain might be persuaded, or forced, to come to a "Mediterranean Munich." He also hoped that, through his alliance with Hitler, he would be able to keep informed of Germany's plans, and to restrain the *Führer* from pressing his claims to the point of war.

In both of these hopes he was disappointed. After the destruction of Czechoslovakia, France and Britain learned that "appeasement" only led to capitulation and that "another Munich" might mean the dismantlement of their empires. And, far from restraining Hitler, the Italo-German alliance merely encouraged him to increase his pressure on Poland. In the hope of averting war, Mussolini consequently urged the Poles—as he had urged the Czechs a year earlier—to come to terms with Germany before it was too late. Only in the second week of August did Mussolini learn that Hitler was determined to gain his ends by force.

This fact he learned as a result of Count Ciano's visit to Salzburg and the Berghof on August 11-13. Although little is known about these meetings, it is generally believed that Ciano—and Mussolini, with whom he kept in constant touch by telephone—were shocked to hear of Hitler's firm intention to violate the Pact of Steel by going to war before the end of the stipulated three-year period. They sought desperately to dissuade him from this course, first by proposing arbitration and, when this failed, by warning him that Italy would refuse to carry the military clauses of the alliance into effect. As Count Ciano expressed it on December 16: "We did not

45. Cf. Dean, "Italy's African Claims Against France," cited.

46. "I Diritti dell'Italia e la Nuova Europa," *Relazioni Internazionali*, April 1, 1939, pp. 233-34. For manifestations of the anti-French campaign then going on in the Italian press, cf. also preceding issues of this periodical (especially December 24, 31, 1938; January 7, 28, and February 4, 1939).

47. *The New York Times*, January 16, 1939.

48. *Ibid.*, March 30, 1939.

48a. For the extent of Italy's aid to Spain, cf. A. R. Elliott, "One Year of Nationalist Spain," *Foreign Policy Reports*, May 15, 1940.

49. For an official text of the speech, cf. *Relazioni Internazionali*, December 23, 1939, pp. 1065-70. For English translation, cf. *Völkerbund*, December 20, 1939. Also *L'Italia di Fronte al Conflitto*, cited, pp. 15-71.

fail to let the Reich know the reasons why the Fascist Government would have desired a peaceful solution, or at least a localization of the conflict."⁵⁰

Hitler struck another blow at the Axis when he concluded the German-Soviet pact on August 23.⁵¹ The Fascist government had known that negotiations were in progress between Berlin and Moscow, and it favored a policy which would prevent Russia from joining the "democratic encirclement" of the Axis. But the terms of the German-Soviet pact, of which it was notified 36 hours in advance,⁵²⁻⁵³ were more far-reaching than it had expected. "So far as we directly were concerned," said Count Ciano on December 16, "the objective was to arrive at a neutralization of Russia to prevent her from entering and taking part in the encirclement projected by the great democracies, an action therefore limited in effect, the more so as it did not seem possible to reach wider goals in view of the fundamental position of hostility always held by Nazi Germany towards Russia."

This development explains why, during the last days of August, when most of Europe was frantically preparing for war, there were few signs of military preparations south of the Alps. Mussolini strove up to the very last to avert the catastrophe. On August 31 he offered to call a conference to discuss a general revision of the peace treaties. Britain and France replied favorably, but made the German evacuation of all Polish territory a *sine qua non*—a condition unacceptable to Hitler.⁵⁴ When the Germans invaded Poland, the Italian Council of Ministers issued an official communiqué on September 1 stating that Italy would "take no initiative whatever towards military operations." It should be noted that Italy declared its "non-belligerency," not its neutrality, as it had in August 1914. This declaration was received by the Italian people with immense relief.⁵⁵

Hitler told the German Reichstag on September 1 that Mussolini had been informed Italian military aid would not be necessary. According to some observers, Hitler believed that a non-belligerent Italy would be more valuable as a mediator after the

Blitzkrieg in Poland, or as a loophole in the British blockade, than as an active ally. France and Britain, for their part, made no effort to conceal their relief. They remembered that during the World War five out of the thirteen million tons of Allied shipping that had been sunk by U-boats were lost in the Mediterranean. So long as Italy remained technically neutral, the Allies could use the Mediterranean without fear of molestation, a factor of supreme importance to Allied strategy in the Near East and the Balkans.⁵⁶

The most compelling reason for Italy's failure to enter the war at the side of Germany was the unpreparedness of the Italian army, a fact clearly revealed at the August maneuvers and during the subsequent mobilization, and admitted by Count Ciano himself on December 16, 1939. Moreover, Italy's position with respect to the Allies—and their satellites, Turkey, Egypt and Greece—was much more vulnerable than that of Germany. Had Italy entered the war at the outset, it might have had to withstand the first full shock of Allied attack, not only in Lombardy but in Libya, the Dodecanese and Ethiopia.⁵⁷ One of the primary functions of the Allied armies assembled in the Near East was, and is, to overawe the Italians.

The communiqué of September 1, announcing Italy's non-belligerency, had not mentioned the Axis, and this silence was observed by the Italian press for three months. Mussolini, speaking to the Fascist hierarchs of Bologna on September 23, said that Italy was ready to assist in peace negotiations but that it was an illusion to suppose all the old frontiers could be maintained.⁵⁸ This statement was apparently his principal contribution to Hitler's campaign for peace after the conquest of Poland, for Count Ciano, during his brief visit to Berlin on October 1, seems to have resisted Nazi pressure to become a "go-between." On October 6 Hitler declared that Germany and Russia would settle the destiny of Southeastern Europe—a statement hardly calculated to please Rome, which has long regarded the Balkans as its sphere of influence.

On December 8 the Fascist Grand Council issued the first official pronouncement on Italian foreign policy since September 1, in which it reaffirmed Italy's non-belligerency; asserted that relations with Germany remained as fixed by the Pact of Steel, the

50. Cf. "Italian Non-Belligerency," *The Economist*, October 14, 1939, pp. 49-50; Anne O'Hare McCormick, *The New York Times*, December 9, 1939; Louis Fischer, "Mussolini in a Trap," *The Nation*, November 18, 1939.

51. For an analysis of negotiations preceding conclusion of the German-Soviet pact, cf. V. M. Dean, "Russia's Role in the European Conflict," *Foreign Policy Reports*, March 1, 1940.

52-53. *The Times*, December 18, 1939; *The Economist*, December 23, 1939, p. 452.

54. V. M. Dean, "Why Europe Went to War," *World Affairs Pamphlets*, No. 7, December 1939, pp. 32-33.

55. Cf. Walter Duranty, "Italy for the Italians," *Harper's*, January 1940, pp. 101-107.

56. Cf. P. W. Ireland, "The Near East and the European War," *Foreign Policy Reports*, March 15, 1940.

57. Cf. "Que s'est-il passé au cours de la conférence germano-italienne?" *L'Europe Nouvelle*, August 19, 1939, p. 919.

58. *Scritti e Discorsi*, vol. XII, cited, p. 226; Marcel Hoden, "Le Discours de Mussolini," *L'Europe Nouvelle*, September 30, 1939, pp. 1067-68.

conversations at Milan, Salzburg and Berlin;⁵⁹ and warned that Italy would protect its maritime commerce "in the most explicit manner."⁶⁰ Four days later, on December 12, Virginio Gayda, semi-official spokesman of Fascist foreign policy and editor of the *Giornale d'Italia*, said in a radio broadcast: "Italy must be assured of a free outlet from the Mediterranean"⁶¹—an idea he reiterated in his paper on December 21, obviously against Britain.⁶² As a climax to this series of pronouncements, Count Ciano delivered his already quoted address of December 16, which was friendly to Germany.⁶³

The motives behind the Grand Council's communiqué and Count Ciano's speech can only be conjectured. Was Mussolini afraid that the Russian attack on Finland was the prelude to a Nazi-Soviet invasion of the Balkans, and was he therefore making overtures to Hitler in the hope of drawing him away from Stalin? Or was he merely trying to pave the way for Italy's participation in any forthcoming deal in the Balkans? One thing appears relatively certain: he wanted to end all rumors that Italy might join the Allies, for he continued to indicate that pro-German "non-belligerency" was a better policy for Italy than a finely balanced neutrality.

ON THE ECONOMIC FRONT

As soon as the war broke out the Fascist government hastened to take commercial advantage of Italy's geographic position between the warring nations. Some Italians even went so far as to hope that, by keeping out of the war, their country could become the most important industrial and commercial power in Europe.⁶⁴

The Allies were better able than Germany to supply Italy with raw materials and to pay cash for Italian products.⁶⁵ In order to adjust Anglo-Italian trade problems a permanent mixed commission was set up by an accord signed on October 27, 1939.⁶⁶

In general the British sought to appease Mussolini by increasing their trade with Italy and, at the same time, to exploit the Italian industrial machine

to their own advantage.⁶⁷ Reports emanating from Italy during the ensuing months were unanimous in stating that Italian industry was occupied with orders for the Allies, although they differed considerably as to the quantity and types of goods involved.⁶⁸ At the end of January the Carnegie Endowment published confidential information to the effect that Italy "traded machines against raw materials up to \$250,000,000 with the Allies in five months since the war began"; that orders from Britain for such articles as ships, machines, cars and motors totaled four billion lire while those from France amounted to three and a half billion francs. According to this source, the Allies allowed Italy to import, through their blockade, the necessary raw materials and coal. The Italians, however, were said to be taking their time both in paying for imports and in making deliveries.⁶⁹

Italian industrial production has markedly increased since the beginning of the war due to (1) war trade with the belligerents; (2) the speeding up of Italian rearmament; and (3) Italy's entrance into markets lost by France, Britain and Germany.⁷⁰ This increased production has in turn benefited Italian shipping.⁷¹ In fact, the Italian merchant marine has found itself unable to meet the demand for its services, and the construction of new ships has therefore been speeded up.⁷²

But this favorable situation has a reverse side. The Allied blockade—with its control stations at Gibraltar, Haifa and Aden—became a heavy burden on Italian trade and slowed up the Fascist drive for new markets.⁷³ The December 8 communiqué of the Fascist Grand Council announced that Italy intended to safeguard its maritime traffic "in the most explicit manner, both for its prestige and for the indisputable necessities of life." This statement was apparently inspired by the British Order in Council imposing a blockade on German exports after December 4.

The Allies have sought to subject Italian trade to as little inconvenience as possible without, however, giving up their blockade against Germany.⁷⁴

59. Since little was known by the public about what took place at Milan, Salzburg and Berlin, the status of the Axis was not elucidated by this declaration.

60. Cf. "Italy Seeks to Safeguard Its Position in the Balkans," *Foreign Policy Bulletin*, December 15, 1939.

61. *The New York Times*, December 13, 1939.

62. *New York Herald Tribune*, December 22, 1939.

63. Cf. "The Axis and the War," *The Times*, January 6, 1940.

64. *The New York Times*, October 24, 1939. For a criticism of this point of view, cf. Giovanni Ansaldo's broadcast of April 14, 1940, cited.

65. At the beginning of the war Germany owed Italy 580,000,000 lire in their joint clearing account, although this sum was later reported (*The Economist*, January 20, 1940, p. 99) to have been paid off in coal deliveries.

66. *The New York Times*, October 28, 1939.

67. Cf. Fischer, "Mussolini in a Trap," cited; J. C. Harsch, "Italy Wins Allied Trade on Neutral Side in War," *Christian Science Monitor*, October 23, 1939.

68. Cf. *The New York Times*, January 6, 17, February 28, 1940; *New York Herald Tribune*, February 18, 1940.

69. *New York Herald Tribune*, February 1, 1940.

70. *The New York Times*, December 25, 1939, February 5, 1940.

71. *Journal of Commerce*, December 28, 1939.

72. *New York Herald Tribune*, November 6, 1939.

73. *The New York Times*, January 8, 1940.

74. Frederic Sondern, Jr., reports that he saw British contraband control officers inspecting the cargoes of Italian ships at

Italy has thus been prevented from accumulating large stocks of important raw materials, either for re-export to Germany or for its own use.

In mid-February Anglo-Italian commercial relations reached a crisis when negotiations for a comprehensive trade agreement broke down.⁷⁵ Anti-British editorials reappeared in the Italian press, and trade between the two countries was virtually suspended. It was reported that the principal cause of the dispute was Italy's unwillingness to send Britain machinery and other products of heavy industry, instead of foodstuffs, in exchange for vital metals and coal.⁷⁶

The climax came in the early days of March, when the British contraband control stopped fifteen Italian ships en route from Rotterdam to Italy laden with German coal. The blockade on German exports, officially scheduled for application at the beginning of December, had been postponed in the case of coal for Italy until March 1. Many observers saw in the seizure of the Italian colliers an effort on Britain's part to force Italy to execute British orders for armaments.⁷⁷ The British were in a strong strategic position since Italy must normally import some 12,000,000 tons of coal, at least three-fourths of which comes from Greater Germany by sea. It was reported that Germany could supply no more than half the quantity it formerly did, and that even this had to come overland in Italian rolling stock because Germany could spare no cars.⁷⁸

The British, however, having made it clear that they intended henceforth to enforce the blockade on Germany's exports, allowed the seized Italian coal ships to proceed with their cargoes on the eve of Herr von Ribbentrop's hurried trip to Rome on March 10. The Germans had no doubt hoped to capitalize on Italy's dispute with Britain, and the fact that it was satisfactorily cleared up before the Nazi Foreign Minister arrived in Rome may have contributed to the reported failure of his trip. In any event, both the Germans and Italians had learned that Britain meant to make its blockade effective,

and therefore worked out a plan for supplying Italy with coal overland and via Belgium.⁷⁹ In the meantime Italy signed a trade pact with Turkey on February 24 and sent a trade delegation to France, which had already received delivery on several large orders for Italian war goods.⁸⁰

On the whole, Italy has not profited economically from the war as much as it had hoped. The Allied blockade is proving increasingly onerous. The Allies, it has been reported, are permitting only enough raw materials to reach Italy to provide for its own normal needs and to fulfill the Allies' own contracts with Italian factories. Although the lira has officially been allowed to drop only a fraction of a cent, in reality there are a number of liras for special purposes, one of them valued as low as 1.68 cents. Italy resorted to this device in order to compete in world markets against British and French exports priced in depreciated currency.⁸¹

Rationing has had to be adopted by Italy for several commodities, notably coffee, sugar, soap and coal,⁸² and will no doubt be extended to other commodities as the war goes on. For although Italy is technically at peace, its economy is on a war footing, as it has actually been for a number of years. This fact is nowhere better indicated than by the government's financial condition. On January 20 the Council of Ministers approved a budget for 1940-1941 in which a deficit (the eighth consecutive one) of 6 billion lire was foreseen.⁸³ By 1941 this would bring the accumulated deficits for the last six years to 55 billion lire, the national debt to a figure exceeding 200 billion, and the amount spent for war purposes since the March on Rome to 147 billion.⁸⁴ The five years of war in Ethiopia and Spain, the uneconomic attempt to achieve self-sufficiency, the vast public works program and the constantly increasing tempo of rearmament have imposed a tremendous burden on Italian economy, with the result that it has few reserves on which it can draw.

The Allied governments are aware of this fact and of the hold it gives them over Italian policy. Yet they also know that they must treat Italy with circumspection if they are not to drive it into the German camp.⁸⁵

Genoa in order to expedite their clearance through the control ports. "Contraband Control," *Life*, January 15, 1940. Cf. also *The New York Times*, February 18, 1940.

75. *The New York Times*, February 15, 1940.

76. *Ibid.*, February 28, 1940.

77. Cf. *New York Herald Tribune*, March 1; *The New York Times*, March 6, 1940.

78. Cf. "Italy's Coal Dilemma," *The Economist*, January 20, 1940; *The New York Times*, January 26, 1940.

79. "An agreement had already been made with Germany on February 24 to regulate commercial exchanges and to clear up the economic problems created by repatriation of Germans from the South Tyrol. "I Nuovi Accordi Economici Italo-Tedeschi," *Relazioni Internazionali*, February 18, 1940, p. 113.

80. *The New York Times*, February 25, 27, 1940.

81. *Ibid.*, February 6, 1940; *Journal of Commerce*, February 8, 1940.

82. Cf. "Rationing in Italy," *The Economist*, February 17, 1940, p. 292.

83. *New York Herald Tribune*, January 21, 1940.

84. "L'Atteggiamento delle Potenze di Fronte al Conflitto," *Relazioni Internazionali*, November 25, 1939, p. 981.

85. Cf. *The Economist*, October 14, 1939, pp. 49-50. For an example of the British effort to placate Fascist opinion, cf. Lord Lloyd, *The British Case* (New York, Macmillan, 1940), pp. 54-57.

ITALY AND THE BALKANS

Italy's primary objective is to keep the war from spreading into regions where its interests are closely involved, notably the Near East and the Balkans. The Eastern Mediterranean is at present probably the most vital area for Italy's expansionist hopes and activities,⁸⁶ particularly as regards the Suez Canal, through which passes the only route to the new Fascist empire in East Africa. But the magnitude of Allied military preparations in the Levant at present leaves small scope for the play of Italian policy in that region.⁸⁷

Consequently, the only area in which Mussolini is able to pursue an independent policy is the Balkans⁸⁸—and even here the Fascist government must compete with several stronger powers.⁸⁹ The primary Fascist objective in this area is to prevent disturbance of the *status quo*, at least under circumstances unfavorable to Italy. This explains why in recent months Mussolini has encouraged the Balkan countries to settle, or at least postpone, their own quarrels and present a united front for the preservation of peace in Southeastern Europe.⁹⁰

The Italians have denied any intention of creating a bloc in the Balkans.⁹¹ They have, however, supported such developments as the meeting of the Foreign Ministers of the Balkan Entente countries which took place at Belgrade from February 1 to 3. They have also sought to improve their own relations with individual Balkan countries. In September a number of Italian troops were removed from the Albanian-Greek frontier,⁹² and notes were exchanged with the Greek government on September 30 which were regarded as virtually constituting a pact of friendship.⁹³

With revisionist Hungary the Fascist government

86. Albert Mousset, "L'Italie et les Balkans," *Politique Etrangère*, December, 1939, pp. 558-60.

87. Cf. Ireland, "The Near East and the European War," cited.

88. Cf. A. O'H. McCormick, *The New York Times*, January 1, 1940.

89. Cf. Davidson, "Can Italy Keep it Up?" cited, p. 424.

90. Cf., for example, Mousset, "L'Italie et les Balkans," cited; A. R., "Le Tournant Balkanique de la Politique Italienne," *L'Europe Nouvelle*, November 11, 1939, p. 1237; and letter of Kosta Todoroff, *The New York Times*, December 3, 1939.

91. Count Ciano, in his speech of December 16, 1939, declared that Italy did not regard blocs, "of whatever kind," as useful means for "hastening the re-establishment of peace."

92. Announced on September 20, 1939. Another 10,000 were reported to have left Albania early in December. *The Times*, December 11, 1939.

93. Mousset, "L'Italie et les Balkans," cited, pp. 560 ff.; "La Collaborazione fra l'Ellade e Roma," *Relazioni Internazionali*, November 11, 1939, p. 941.

has usually maintained particularly close relations. But now that Italy's policy is aimed at avoiding any intra-Balkan conflicts, Mussolini has urged the Hungarian government to refrain from hostile action against Rumania for the time being, notably at the time of Prime Minister Teleki's visit to Rome in March.⁹⁴

CONCLUSION

In appraising Italy's future course, several points must be borne in mind. The Italian people have little sympathy for Germany, and passionately hope to avoid war. If Italy is to gain any concessions from the Allies, it must negotiate such concessions while the outcome of the Scandinavian struggle is still in the balance. Yet the very fact that it remains in the balance, and may still result in a German victory—which might be followed by Nazi retaliation against Italy—makes it difficult if not impossible for Mussolini publicly to accept the overtures made by Premier Reynaud on April 20. Furthermore, the territories that Italy covets—Corsica, Tunisia, Malta, etc.—can be gained only as the result of an Allied defeat, for France and Britain will never relinquish them voluntarily.

One thing should be constantly borne in mind. Mussolini expects to benefit by the break-up of the British and French Empires, which would loosen or even break their grip on the Mediterranean. He therefore cannot under any circumstances be expected to join the Allies. The most he can be expected to do—and the most the Allies probably expect him to do—is to maintain his present policy of non-belligerency, in return for some concessions by France and Britain. But if his policy is not pro-Ally, neither is it primarily pro-German. It is first and foremost pro-Italian. Mussolini still hopes to achieve his ambitions without sacrificing either men or material by actual participation in a war for which neither Italy's army nor its economy is prepared, and which might conceivably undermine his own power. He might like to maintain his power intact so that, if the war should end with both sides exhausted, Italy could lay down its own terms, as it was unable to do in 1919, and perhaps even play the rôle of the universal "broker." One thing at least is certain: when it comes time for Italy to make the decision, Mussolini—and Mussolini alone—will make it.

94. *The New York Times*, January 8, 1940; "L'Entrevue de Venise," *L'Europe Nouvelle*, January 13, 1940, pp. 31-32; cf. also pp. 53-54.

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ONE YEAR OF NATIONALIST SPAIN

by A. Randle Elliott